

Message Text

LIMITED OFFICIAL USE

PAGE 01 KHARTO 01773 070937Z

11

ACTION XMB-07

INFO OCT-01 AF-10 ADP-00 DOTE-00 AID-20 CIAE-00 COME-00

EB-11 FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 OPIC-12

CIEP-02 LAB-06 SIL-01 OMB-01 RSR-01 /085 W

----- 023343

R 070855Z AUG 73

FM AMEMBASSY KHARTOUM

TO SECSTATE WASHDC 6921

LIMITED OFFICIAL USE KHARTOUM 1773

E.O. 11652: N/A

TAGS: EFIN, SU

SUBJ: LOCOMOTIVES FOR SUDAN RAILWAYS (SR)

REF: STATE 141218; B. KHARTOUM 1677

1. SUMMARY: UNDER SECRETARY MINTRANS AND COMMO INDICATES SR HAS NOT SET MINIMUM NUMBER OF LOCOMOTIVES FOR BIDS, BUT CHANCES FOR GM SALE TO SR ON BASIS TERMS OFFERED BY EXIM SLIM. THEREFORE, IF PRELIMINARY COMMITMENT GIVEN TO GM IT SHOULD BE RECOGNIZED SALES PROSPECTS UNLIKELY. END SUMMARY.

2. SR GENERAL PLANS: CHARGE ANE EMBOFF CALLED AUG. 6 ON ABDEL MONEIM ABBAS, UNDER SECRETARY MINTRANS AND COMMO AND UNTIL MAY GENERAL MANAGER SR, TO PURSUE SR PLANS RE ADDITIONAL LOCOMOTIVE PURCHASES. ABBAS STATED SR PUTTING PRIMARY RELIANCE ON FRG CONCESSIONAL LOAN. THIS TOTALLED 25 MILLION MARKS (VICE FIGURE OF 20 MILLION REF B)--15 MILLION FROM LAST YEAR'S CREDITS AND 10 MILLION FROM CREDIT ANNOUNCED IN EARLY JULY. FIFTEEN MILLION TO GO FOR LONG HAUL LOCOMOTIVES AND TEN MILLION FOR SHUNTERS. (NOTE REF B INEXACT REGARDING PROPOSED IBRD LOAN WHICH WILL BE FOR OTHER TYPES ROLLING STOCK, NOT LOCOMOTIVES.) IDEALLY, SR WOULD WISH ACQUIRE MORE LOCOMOTIVES (FULL DIESELIZATION IS GOAL) THAN 10 COVERED BY THE FRG LOAN, BUT ACQUISITIONS ON LESS THAN CONCESSIONAL TERMS CURRENTLY NOT

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 KHARTO 01773 070937Z

POSSIBLE. ABBAS NOTED THAT SR DEBT RE PAYMENT SCHEDULE PARTI-

CULARLY DIFFICULT AT THIS TIME. FURTHER INCREASES IN THIS BURDEN NOT ACCEPTABLE EVEN IN INVOLVED IN PURCHASES UNDER SEMI-CONCESSIONAL TERMS SUCH AS OFFERED BY EXIM.

3. GM IN PARTICULAR: ABBAS ACKNOWLEDGED GM INTEREST AND MADE FAVORABLE REFERENCE TO PERFORMANCE GM LOCOMOTIVES IN EGYPT. BUT HE ALSO STATED THAT GM DISCUSSIONS PREDICTED ON 10-YEAR CREDITS WHICH FROM CURRENT SR STANDPOINT COMPLETELY INSUFFICIENT. ABBAS ALSO NOTED SR DESIRE AVOID FURTHER PROLIFERATION IN TYPES OF EQUIPMENT. AT MOMENT IT OPERATING BRITISH, BELGIAN AND JAPANESE LOCOMOTIVES. TO ADD ANOTHER VARIETY WOULD ONLY FURTHER COMPLICATE MAINTENANCE AND SPARE PARTS PROBLEMS. ABBAS DID, HOWEVER, NOTE THAT SR IS WILLING CONSIDER ANY OFFERS INVOLVING LONG-TERM CREDITS.

4. COMMENT: CONVERSATION CONFIRMED POINT MADE REF B RE NEBD US SUPPLIERS BREAK EUROPEAN AND JAPANESE MONOPOLY ON SR LOCOMOTIVES NOW IF EVER. ON OTHER HAND, IT ALSO GAVE LITTLE ROOM FOR OPTIMISM THAT ANY BREAKTHROUGH LIKELY AT THIS TIME AND EVEN RAISED DOUBTS AS TO ECONOMIC ADVISABILITY (SR DEBT BURDEN) OF EXTENDING CREDITS IF SUCH SALE WERE POSSIBLE. THEREFORE, WHILE EMBASSY STILL CONSIDERS SR GOOD LONG TERM POTENTIAL MARKET, WE RELUCTANTLY CONCLUDE THAT EXIM WOULD PROBABLY BE BETTER ADVISED RESERVE ITS ATTENTION AND PRELIMINARY COMMITMENTS TO OTHER COMMERCIAL OPPORTUNITIES ARISING IN SUDAN. FRITTS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 07 AUG 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973KHARTO01773
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: KHARTOUM
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730854/aaaabnib.tel
Line Count: 87
Locator: TEXT ON-LINE
Office: ACTION XMB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 73 STATE 141218; B. KHARTOUM 1677
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 14 JAN 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <14-Jan-2002 by kelleyw0>; APPROVED <04-Feb-2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: LOCOMOTIVES FOR SUDAN RAILWAYS (SR)
TAGS: EFIN, SU
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005